



General Assembly

January Session, 2011

Raised Bill No. 6441

LCO No. 3835

03835_____JUD

Referred to Committee on Judiciary

Introduced by:
(JUD)

AN ACT ADOPTING THE CONNECTICUT UNIFORM TRUST CODE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2011*) Sections 1 to 86, inclusive, of
2 this act may be cited as the "Connecticut Uniform Trust Code".

3 Sec. 2. (NEW) (*Effective July 1, 2011*) Sections 1 to 86, inclusive, of
4 this act apply to express trusts, whether testamentary or inter vivos
5 and whether charitable or noncharitable, and trusts created pursuant
6 to a statute, judgment or decree that requires the trust to be
7 administered in the manner of an express trust, except that sections 1
8 to 86, inclusive, of this act shall not apply to statutory trusts created
9 pursuant to chapter 615 of the general statutes to the extent
10 inconsistent with the terms of chapter 615 of the general statutes.

11 Sec. 3. (NEW) (*Effective July 1, 2011*) As used in sections 1 to 86,
12 inclusive, of this act:

13 (1) "Action", with respect to an act of a trustee, includes a failure to
14 act.

15 (2) "Beneficiary" means a person that (A) has a present or future
16 beneficial interest in a trust, vested or contingent, or (B) in a capacity
17 other than that of trustee, holds a power of appointment over trust
18 property. "Beneficiary" does not include an appointee under a power
19 of appointment unless and until the power is exercised and the trustee
20 has knowledge of the exercise and the identity of the appointee.

21 (3) "Beneficiary surrogate" means a person, other than a trustee,
22 designated by the settlor in the trust instrument to receive notices,
23 information and reports otherwise required to be provided to a current
24 beneficiary under subdivision (7) of subsection (b) of section 5 of this
25 act.

26 (4) "Charitable trust" means a trust, or portion of a trust, created for
27 the relief of poverty, the advancement of education or religion, the
28 promotion of health, governmental or municipal purposes or other
29 purposes which benefit the community.

30 (5) "Current beneficiary" means a beneficiary who, on the date the
31 beneficiary's qualification is determined, is a distributee or permissible
32 distributee of trust income or principal.

33 (6) "Conservator" means a person appointed by the court to
34 administer the estate of a minor or adult individual and includes a
35 guardian of the estate of a minor.

36 (7) "District" means, for purposes of venue, the district of the court
37 having or accepting jurisdiction over the proceeding.

38 (8) "Environmental law" means a federal, state or local law, rule,
39 regulation or ordinance relating to protection of the environment.

40 (9) "Guardian" means a person appointed by the court to make
41 decisions regarding the support, care, education, health and welfare of
42 a minor or adult individual and includes a conservator of the person of
43 an adult, but does not include a guardian ad litem.

44 (10) "Interests of the beneficiaries" means the beneficial interests
45 provided in the terms of the trust.

46 (11) "Inter vivos trust" means any trust that is not a testamentary
47 trust.

48 (12) "Jurisdiction", with respect to a geographic area, includes a state
49 or country.

50 (13) "Mandatory distribution" means a distribution of income or
51 principal that the trustee is required to make to a beneficiary under the
52 terms of the trust, including a distribution upon termination of the
53 trust. "Mandatory distribution" does not include a distribution subject
54 to the exercise of the trustee's discretion, regardless of whether the
55 terms of the trust (A) include a support or other standard to guide the
56 trustee in making distribution decisions, or (B) provide that the trustee
57 "may" or "shall" make discretionary distributions, including
58 distributions pursuant to a support or other standard.

59 (14) "Permissible distributee" means a beneficiary who is currently
60 entitled to or eligible to receive a distribution from a trust.

61 (15) "Person" means an individual, corporation, business trust,
62 estate, trust, partnership, limited liability company, association, joint
63 venture, court, government, governmental subdivision, agency or
64 instrumentality, public corporation or any other legal or commercial
65 entity.

66 (16) "Power of withdrawal" means a presently exercisable general
67 power of appointment other than a power exercisable only upon
68 consent of the trustee or a person holding an adverse interest.

69 (17) "Property" means anything that may be the subject of
70 ownership, whether real or personal and whether legal or equitable, or
71 any interest therein.

72 (18) "Qualified beneficiary" means a beneficiary who, on the date the

73 beneficiary's qualification is determined: (A) Is a distributee or
74 permissible distributee of trust income or principal; (B) would be a
75 distributee or permissible distributee of trust income or principal if the
76 interests of the distributees described in subparagraph (A) of this
77 subdivision terminated on such date without causing the trust to
78 terminate; or (C) would be a distributee or permissible distributee of
79 trust income or principal if the trust terminated on such date.

80 (19) "Revocable", as applied to a trust, means revocable by the
81 settlor without the consent of the trustee or a person holding an
82 adverse interest.

83 (20) "Settlor" means a person, including a testator, who creates or
84 contributes property to a trust. If more than one person creates or
85 contributes property to a trust, each person is a settlor of the portion of
86 the trust property attributable to such person's contribution, except to
87 the extent another person has the power to revoke or withdraw such
88 portion.

89 (21) "Spendthrift provision" means a term of a trust that restrains
90 both voluntary and involuntary transfer of a beneficiary's interest.

91 (22) "State" means a state of the United States, the District of
92 Columbia, Puerto Rico, the United States Virgin Islands or any
93 territory or insular possession subject to the jurisdiction of the United
94 States, and includes an Indian tribe or band recognized by federal law
95 or formally acknowledged by a state.

96 (23) "Terms of a trust" or "terms of the trust" means the
97 manifestation of the settlor's intent regarding a trust's provisions as
98 expressed in the trust instrument or as may be established by other
99 evidence that would be admissible in a judicial proceeding.

100 (24) "Testamentary trust" means a trust created under a will or any
101 other trust created, authorized or approved by order of a probate
102 court.

103 (25) "Trust instrument" means any instrument executed by the
104 settlor that contains terms of the trust, including any amendments
105 thereto.

106 (26) "Trustee" includes an original, additional and successor trustee
107 and a cotrustee.

108 Sec. 4. (NEW) (*Effective July 1, 2011*) (a) Subject to subsection (b) of
109 this section, for the purposes of sections 1 to 86, inclusive, of this act, a
110 person has knowledge of a fact if the person (1) has actual knowledge
111 of the fact, (2) has received a notice or notification of the fact, or (3)
112 from all the facts and circumstances known to the person at the time in
113 question, has reason to know the fact.

114 (b) An organization that conducts activities through employees has
115 notice or knowledge of a fact involving a trust only from the time the
116 information was received by an employee having responsibility to act
117 for the trust, or from the time the information would have been
118 brought to the employee's attention if the organization had exercised
119 reasonable diligence. An organization exercises reasonable diligence if
120 it maintains reasonable routines for communicating significant
121 information to the employee having responsibility to act for the trust
122 and there is reasonable compliance with the routines. Reasonable
123 diligence does not require an employee of the organization to
124 communicate information unless the communication is part of the
125 individual's regular duties or the individual knows a matter involving
126 the trust would be materially affected by the information.

127 Sec. 5. (NEW) (*Effective July 1, 2011*) (a) Except as otherwise
128 provided in the terms of the trust, sections 1 to 86, inclusive, of this act
129 govern the duties and powers of a trustee, relations among trustees
130 and the rights and interests of a beneficiary.

131 (b) The terms of a trust prevail over any provision of sections 1 to
132 86, inclusive, of this act, except: (1) The requirements for creating a
133 trust; (2) the duty of a trustee to act in good faith and in accordance

134 with the terms and purposes of the trust; (3) the requirement of section
135 24 of this act that a trust have a purpose that is lawful, not contrary to
136 public policy and possible to achieve; (4) the power of the court to
137 modify or terminate a trust under sections 30 to 36, inclusive, of this
138 act; (5) the effect of a spendthrift provision and the rights of certain
139 creditors and assignees to reach a trust as provided in sections 38 to 45,
140 inclusive, of this act; (6) the power of the court under section 51 of this
141 act to require, dispense with, modify or terminate a bond; (7) the duty
142 under subdivision (2) of subsection (a) of section 67 of this act to
143 respond to the request of a current beneficiary of an irrevocable trust
144 for information reasonably related to the administration of a trust; (8)
145 the effect of an exculpatory term under section 78 of this act; (9) the
146 rights under sections 80 to 83, inclusive, of this act of a person other
147 than a trustee or beneficiary; (10) periods of limitation for commencing
148 a judicial proceeding; (11) the power of the court to take such action
149 and exercise such jurisdiction as may be necessary in the interests of
150 justice; (12) the subject-matter jurisdiction of the court and venue for
151 commencing a proceeding as provided in sections 14 and 15 of this act;
152 or (13) the provisions of sections 1 to 86, inclusive, of this act
153 specifically dealing with the supervision of testamentary trusts by the
154 court.

155 (c) With respect to one or more of the current or qualified
156 beneficiaries, the settlor, in the trust instrument, may waive or modify
157 the duties of the trustee described in subdivision (7) of subsection (b)
158 of this section. Such a waiver or modification may be made only by the
159 settlor designating in the trust instrument one or more beneficiary
160 surrogates to receive any notices, information or reports otherwise
161 required under said subdivision to be provided to the current or
162 qualified beneficiaries. If the settlor makes such a waiver or
163 modification, the trustee shall provide such notices, information or
164 reports to the beneficiary surrogates, in lieu of providing them to the
165 current or qualified beneficiaries. The beneficiary surrogates shall act
166 in good faith to protect the interests of the current or qualified
167 beneficiaries for whom the notices, information or reports are received.

168 The beneficiary surrogates are deemed to be representatives of the
169 current or qualified beneficiaries not provided such notices,
170 information or reports for all purposes, except for the time limitation
171 for a beneficiary to commence an action against a trustee for breach of
172 trust as provided in subsections (a) and (b) of section 75 of this act.

173 Sec. 6. (NEW) (*Effective July 1, 2011*) The common law of trusts and
174 principles of equity supplement sections 1 to 86, inclusive, of this act,
175 except to the extent modified by sections 1 to 86, inclusive, of this act
176 or another statute of this state.

177 Sec. 7. (NEW) (*Effective July 1, 2011*) The meaning and effect of the
178 terms of a trust are determined by: (1) The law of the jurisdiction
179 designated in the terms of the trust, unless the designation of such
180 jurisdiction's law is contrary to a strong public policy of the
181 jurisdiction having the most significant relationship to the matter at
182 issue; or (2) in the absence of a controlling designation in the terms of
183 the trust, the law of the jurisdiction having the most significant
184 relationship to the matter at issue.

185 Sec. 8. (NEW) (*Effective July 1, 2011*) (a) Without precluding other
186 means for establishing a sufficient connection with the designated
187 jurisdiction, terms of a trust designating the principal place of
188 administration are valid and controlling if: (1) A trustee's principal
189 place of business is located in or a trustee is a resident of the
190 designated jurisdiction; or (2) all or part of the administration occurs in
191 the designated jurisdiction.

192 (b) A trustee is under a continuing duty to administer the trust at a
193 place appropriate to its purposes, its administration and the interests
194 of the beneficiaries.

195 (c) The principal place of administration of a testamentary trust
196 means (1) in the case of a trust created under a will, in the district in
197 which the settlor's estate was or is being administered, (2) in the case of
198 any other trust created, authorized or approved by order of the

199 Probate Court, in the district in which the court creating the trust is
200 located, or (3) in the case of a trust transferred to this state subject to
201 the continuing supervision of the court, the district in which the
202 trustee's principal place of business is located, where the trustee
203 resides or where all or part of the administration occurs.

204 (d) Without precluding the right of the court to order, approve or
205 disapprove a transfer, the trustee of an inter vivos trust, and the trustee
206 of a testamentary trust with court approval, in furtherance of the duty
207 prescribed by subsection (b) of this section, may transfer the trust's
208 principal place of administration to another state or to a jurisdiction
209 outside of the United States.

210 (e) The trustee of an inter vivos trust shall notify the qualified
211 beneficiaries of a transfer of a trust's principal place of administration
212 to another state or to a jurisdiction outside of the United States not less
213 than sixty days before initiating the transfer. The notice of the transfer
214 shall include: (1) The name of the jurisdiction to which the principal
215 place of administration is to be transferred; (2) the address and
216 telephone number at the new location at which the trustee can be
217 contacted; (3) an explanation of the reasons for the transfer; and (4) the
218 date on which the transfer is anticipated to occur.

219 (f) In connection with a transfer of the trust's principal place of
220 administration, the trustee may transfer some or all of the trust
221 property to a successor trustee designated in the terms of the trust or
222 appointed pursuant to section 53 of this act.

223 Sec. 9. (NEW) (*Effective July 1, 2011*) (a) Notice to a person under
224 sections 1 to 86, inclusive, of this act, or the sending of a document to a
225 person under sections 1 to 86, inclusive, of this act, shall be
226 accomplished in a manner reasonably suitable under the circumstances
227 and likely to result in receipt of the notice or document. Permissible
228 methods of notice or for sending a document include first-class mail,
229 personal delivery, delivery to the person's last-known place of
230 residence or place of business, or a properly directed electronic

231 message, if the person has consented in advance to receive notices or
232 documents by electronic message.

233 (b) Notice otherwise required under sections 1 to 86, inclusive, of
234 this act, or a document otherwise required to be sent under sections 1
235 to 86, inclusive, of this act need not be provided to a person whose
236 identity or location is unknown to and not reasonably ascertainable by
237 the trustee.

238 (c) Notice under sections 1 to 86, inclusive, of this act or the sending
239 of a document under sections 1 to 86, inclusive, of this act may be
240 waived by the person to be notified or to be sent the document.

241 (d) Notice of a judicial proceeding shall be given as provided in any
242 applicable court rules.

243 Sec. 10. (NEW) (*Effective July 1, 2011*) (a) Whenever notice to
244 qualified beneficiaries of a trust is required under sections 1 to 86,
245 inclusive, of this act, the trustee shall also give notice to any other
246 current beneficiary who has sent the trustee a request for notice.

247 (b) A charitable organization expressly designated to receive
248 distributions under the terms of a charitable trust has the rights of a
249 qualified beneficiary under sections 1 to 86, inclusive, of this act if the
250 charitable organization, on the date the charitable organization's
251 qualification is being determined: (1) Is a distributee or permissible
252 distributee of trust income or principal; (2) would be a distributee or
253 permissible distributee of trust income or principal upon the
254 termination of the interests of other distributees or permissible
255 distributees then receiving or eligible to receive distributions; or (3)
256 would be a distributee or permissible distributee of trust income or
257 principal if the trust terminated on such date.

258 (c) The Attorney General has the rights of a qualified beneficiary
259 with respect to a charitable trust having its principal place of
260 administration in this state.

261 (d) A person appointed to enforce a trust created for the care of an
262 animal or another noncharitable purpose as provided in section 28 or
263 29 of this act has the rights of a qualified beneficiary under sections 1
264 to 86, inclusive, of this act.

265 (e) A charitable organization shall only be granted the rights of a
266 qualified beneficiary in this section if its interest in a charitable trust is
267 not otherwise subject to any power of appointment, removal or any
268 other power of termination on the date that its qualification is
269 otherwise determined under this section.

270 Sec. 11. (NEW) (*Effective July 1, 2011*) (a) For the purposes of this
271 section, "interested persons" means persons whose consent would be
272 required in order to achieve a binding settlement were the settlement
273 to be approved by the court.

274 (b) Except as otherwise provided in subsections (c) and (e) of this
275 section, interested persons may enter into a binding nonjudicial
276 settlement agreement with respect to any matter involving an inter
277 vivos trust.

278 (c) A nonjudicial settlement agreement is valid only to the extent it
279 does not violate a material purpose of the trust and includes terms and
280 conditions that could be properly approved by the court under
281 sections 1 to 86, inclusive, of this act or other applicable law.

282 (d) Matters that may be resolved by a nonjudicial settlement
283 agreement include: (1) The interpretation or construction of the terms
284 of the trust; (2) the approval of a trustee's report or accounting; (3)
285 direction to a trustee to refrain from performing a particular act or the
286 grant to a trustee of any necessary or desirable power; (4) the
287 resignation or appointment of a trustee and the determination of a
288 trustee's compensation; (5) transfer of a trust's principal place of
289 administration; and (6) liability of a trustee for an action relating to the
290 trust.

291 (e) A nonjudicial settlement agreement may not modify or terminate
292 an irrevocable trust. Such modification or termination may only be
293 accomplished under the provisions of sections 31 to 37, inclusive, of
294 this act.

295 (f) Any interested person may request the court to approve a
296 nonjudicial settlement agreement, to determine whether the
297 representation as provided in sections 16 to 20, inclusive, of this act
298 was adequate, and to determine whether the agreement contains terms
299 and conditions the court could have properly approved.

300 Sec. 12. (NEW) (*Effective July 1, 2011*) (a) A testamentary trust is
301 subject to continuing judicial supervision. For this purpose, a
302 testamentary trust shall include any trust created under the laws of
303 another jurisdiction, the principal place of administration of which is
304 transferred to this state and expressly made subject to the continuing
305 supervision of the court by the transferring court or document of
306 transfer.

307 (b) The court may intervene in the administration of an inter vivos
308 trust to the extent its jurisdiction is invoked by an interested person or
309 as provided by law.

310 (c) An inter vivos trust is not subject to continuing judicial
311 supervision.

312 (d) A judicial proceeding involving a trust may relate to any matter
313 involving the trust's administration, including, but not limited to, a
314 proceeding to: (1) Request instructions; (2) approve a nonjudicial
315 settlement; (3) interpret or construe the terms of a trust; (4) determine
316 the validity of a trust; (5) approve a trustee's report or accounting or
317 compel a trustee to report or account; (6) review the actions of a
318 trustee, including the exercise of a discretionary power; (7) accept the
319 resignation of a trustee; (8) appoint or remove a trustee; (9) transfer a
320 testamentary trust's principal place of administration or a testamentary
321 trust's property to another jurisdiction; (10) modify or terminate a

322 trust; (11) combine trusts or divide a trust; (12) determine liability of a
323 trust for debts of a beneficiary and living settlor; (13) determine
324 liability of a trust for debts, expenses of administration and statutory
325 allowances chargeable against the estate of a deceased settlor; or (14)
326 apply to a charitable trust the equitable doctrine of approximation, cy
327 pres, equitable deviation and other principles of equity pertaining to
328 charitable trusts.

329 Sec. 13. (NEW) (*Effective July 1, 2011*) (a) By accepting the trusteeship
330 of a trust having its principal place of administration in this state, or by
331 moving the principal place of administration to this state, the trustee
332 submits personally to the jurisdiction of the courts of this state
333 regarding any matter involving the trust.

334 (b) With respect to their interests in the trust, the beneficiaries of a
335 trust having its principal place of administration in this state are
336 subject to the jurisdiction of the courts of this state regarding any
337 matter involving the trust. By accepting a distribution from such a
338 trust, the recipient submits personally to the jurisdiction of the courts
339 of this state regarding any matter involving the trust.

340 (c) This section does not preclude other methods of obtaining
341 jurisdiction over a trustee, beneficiary or other person receiving
342 property from the trust.

343 Sec. 14. (NEW) (*Effective July 1, 2011*) (a) The Probate Court has
344 exclusive jurisdiction of proceedings in this state concerning the
345 interim and final accounts of testamentary trustees.

346 (b) In any proceeding in the Probate Court that is or has become a
347 contested matter, the Probate Court Administrator shall, on the motion
348 of all interested parties, cite in within ten days a special assignment
349 probate judge to hear only the contested portion of the matter. If the
350 motion to cite a special assignment probate judge is not filed or
351 consented to by all of the interested parties, the Probate Court shall
352 transfer the contested portion of the matter within ten days to the

353 Superior Court upon the request of any party and in accordance with
354 the procedures provided in section 45a-186 of the general statutes. If
355 the contested portion of a case is transferred to the Superior Court, the
356 clerk of the Probate Court shall transmit certified copies of all relevant
357 portions of the file to the clerk of the Superior Court. The Superior
358 Court to which the contested matter was transferred may grant such
359 relief as necessary to resolve the contested matter and shall then
360 promptly transfer the matter back to the original probate court to
361 complete any remaining uncontested matters, delivering to the clerk of
362 the probate court a certified copy of the file and of the proceedings
363 regarding the contested matter in the transferee court.

364 Sec. 15. (NEW) (*Effective July 1, 2011*) (a) Venue for a judicial
365 proceeding in the Superior Court shall be as provided in chapter 890 of
366 the general statutes.

367 (b) (1) Except as otherwise provided in subsection (c) of this section,
368 venue for a judicial proceeding in a court of probate involving an inter
369 vivos trust is, in the following order of priority: (A) In the district of
370 this state in which the trust's principal place of administration is or will
371 be located; (B) in the district of this state where any trustee resides or
372 has a principal place of business; or (C) in the district of this state
373 where the settlor's estate was or is being administered.

374 (2) Except as otherwise provided in subsection (c) of this section,
375 venue for a judicial proceeding involving a testamentary trust is in the
376 district of this state in which the trust's principal place of
377 administration is located.

378 (c) (1) If an inter vivos trust has no trustee, venue for a judicial
379 proceeding for the appointment of a trustee shall be, in the following
380 order of priority: (A) In a district of this state in which a beneficiary
381 resides; (B) in a district of this state in which any trust property is
382 located; or (C) in the district of this state in which the trust's principal
383 place of administration is located.

384 (2) If a testamentary trust has no trustee, venue for a judicial
385 proceeding for the appointment of a trustee shall be in the district of
386 this state in which the trust's principal place of administration is
387 located as determined under subsection (c) of section 8 of this act.

388 (d) A judicial proceeding other than one described in subsection (b)
389 or (c) of this section shall be commenced in accordance with the rules
390 of venue applicable to civil actions.

391 Sec. 16. (NEW) (*Effective July 1, 2011*) (a) Notice to a person who may
392 represent and bind another person under sections 16 to 20, inclusive, of
393 this act has the same effect as if notice were given directly to such other
394 person.

395 (b) The consent of a person who may represent and bind another
396 person under sections 16 to 20, inclusive, of this act is binding on the
397 person represented unless the person represented objects to the
398 representation before the consent would otherwise have become
399 effective.

400 (c) Except as otherwise provided in section 47 of this act, a person
401 who, pursuant to sections 16 to 20, inclusive, of this act may represent
402 a settlor who lacks capacity may receive notice and give a binding
403 consent on the settlor's behalf.

404 (d) Notwithstanding any provision of the general statutes, sections
405 16 to 20, inclusive, of this act shall apply to all judicial proceedings and
406 all nonjudicial settlements, agreements or actions under sections 1 to
407 86, inclusive, of this act and under any other provisions of the general
408 statutes pertaining to trust matters.

409 (e) For the purposes of this section, "represent" shall not be
410 construed to permit a person who has not been admitted as an
411 attorney pursuant to section 51-80 of the general statutes to serve as
412 legal counsel for any other person in any matter arising under sections
413 1 to 86, inclusive, of this act.

414 Sec. 17. (NEW) (*Effective July 1, 2011*) To the extent there is no
415 conflict of interest between the holder of a power of appointment and
416 the persons represented with respect to the particular question or
417 dispute: (1) The sole holder or all coholders of any power of
418 appointment, whether or not presently exercisable, shall represent the
419 potential appointees; and (2) the sole holder or all coholders of a power
420 of revocation or a general power of appointment, including one in the
421 form of a power of amendment, shall also represent the takers in
422 default of the exercise thereof.

423 Sec. 18. (NEW) (*Effective July 1, 2011*) To the extent there is no
424 conflict of interest between the representative and the person
425 represented or among those being represented with respect to a
426 particular question or dispute: (1) A conservator may represent and
427 bind the estate that the conservator controls; (2) a guardian may
428 represent and bind the ward if a conservator of the ward's estate has
429 not been appointed; (3) an agent having authority to do so may
430 represent and bind the principal; (4) a trustee may represent and bind
431 the beneficiaries of the trust; (5) an executor or administrator of a
432 decedent's estate may represent and bind persons interested in the
433 estate; and (6) if a conservator or guardian has not been appointed, a
434 parent may represent and bind the parent's minor or unborn child.

435 Sec. 19. (NEW) (*Effective July 1, 2011*) Unless otherwise represented,
436 a minor, an incapacitated or unborn individual, or a person whose
437 identity or location is unknown and not reasonably ascertainable, may
438 be represented by and bound by another person having a substantially
439 identical interest with respect to the particular question or dispute, but
440 only to the extent there is no conflict of interest between the
441 representative and the person being represented.

442 Sec. 20. (NEW) (*Effective July 1, 2011*) (a) If the court determines that
443 an interest is not represented pursuant to sections 16 to 20, inclusive, of
444 this act, or that the otherwise available representation might be
445 inadequate, the court may appoint a guardian ad litem to receive

446 notice, give consent, and otherwise represent, bind and act on behalf of
447 a minor, an incapacitated or unborn individual, or a person whose
448 identity or location is unknown. A guardian ad litem may be
449 appointed to represent several persons or interests.

450 (b) A guardian ad litem may act on behalf of the individual
451 represented with respect to any matter arising under sections 1 to 86,
452 inclusive, of this act, whether or not a judicial proceeding concerning
453 the trust is pending.

454 (c) In making decisions in any matter, a guardian ad litem may
455 consider general benefit accruing to the living members of the
456 individual's family.

457 Sec. 21. (NEW) (*Effective July 1, 2011*) A trust may be created by: (1)
458 Transfer of property to another person as trustee during the settlor's
459 lifetime, by deed or otherwise, or by will or other disposition taking
460 effect upon the settlor's death; (2) declaration by the owner of property
461 that the owner holds identifiable property as trustee; (3) exercise of a
462 power of appointment in favor of a trustee; (4) transfer of property
463 pursuant to a statute or judgment that requires property to be
464 administered in the manner of an express trust, including, but not
465 limited to, a trust created by the guardian of the estate of a minor or by
466 the conservator of an estate, or a trust described in 42 USC 1396p(d)(4),
467 as from time to time amended; or (5) court order.

468 Sec. 22. (NEW) (*Effective July 1, 2011*) (a) A trust is created only if: (1)
469 The settlor has capacity to create a trust; (2) the settlor indicates an
470 intention to create the trust; (3) the trust has a definite beneficiary or is
471 (A) a charitable trust, (B) a trust for the care of an animal, as provided
472 in section 28 of this act, or (C) a trust for a noncharitable purpose, as
473 provided in section 29 of this act; and (4) the trustee has duties to
474 perform.

475 (b) A beneficiary is definite if the beneficiary can be ascertained now
476 or in the future, subject to any applicable rule against perpetuities.

477 (c) A power in a trustee to select a beneficiary from an indefinite
478 class is valid. If the power is not exercised within a reasonable time,
479 the power fails and the property subject to the power passes to the
480 persons who would have taken the property had the power not been
481 conferred.

482 Sec. 23. (NEW) (*Effective July 1, 2011*) An inter vivos trust is validly
483 created if its creation complies with the law of the jurisdiction in which
484 the trust instrument was executed, or the law of the jurisdiction in
485 which, at the time of creation: (1) The settlor was domiciled, had a
486 place of abode or was a national; (2) a trustee was domiciled or had a
487 place of business; or (3) any trust property was located.

488 Sec. 24. (NEW) (*Effective July 1, 2011*) A trust may be created only to
489 the extent its purposes are lawful, not contrary to public policy and
490 possible to achieve.

491 Sec. 25. (NEW) (*Effective July 1, 2011*) (a) A charitable trust may be
492 created for the relief of poverty, the advancement of education or
493 religion, the promotion of health, governmental or municipal purposes
494 or other purposes the achievement of which is beneficial to the
495 community.

496 (b) If the terms of a charitable trust do not indicate a particular
497 charitable purpose or beneficiary, and if the trustee is not given
498 discretion to select the charitable beneficiaries, the court may select one
499 or more charitable purposes or beneficiaries. The selection shall be
500 consistent with the settlor's intention to the extent it can be ascertained.

501 (c) The settlor of a charitable trust, among others, may maintain a
502 proceeding to enforce the trust, but only if the settlor has expressly
503 retained the right to do so in the trust instrument.

504 Sec. 26. (NEW) (*Effective July 1, 2011*) A trust is void to the extent its
505 creation was induced by fraud, duress or undue influence.

506 Sec. 27. (NEW) (*Effective July 1, 2011*) Except as required by any

507 provision of the general statutes other than sections 1 to 86, inclusive,
508 of this act, a trust need not be evidenced by a trust instrument, but the
509 creation of an oral trust and its terms may be established only by clear
510 and convincing evidence.

511 Sec. 28. (NEW) (*Effective July 1, 2011*) (a) A trust may be created to
512 provide for the care of an animal alive during the settlor's lifetime. The
513 trust terminates upon the death of the animal or, if the trust was
514 created to provide for the care of more than one animal alive during
515 the settlor's lifetime, upon the death of the last surviving animal.

516 (b) A trust authorized by this section may be enforced by a person
517 appointed in the terms of the trust or, if no person is so appointed, by a
518 person appointed by the court. A person having an interest in the
519 welfare of the animal may request the court to appoint a person to
520 enforce the trust or to remove a person appointed.

521 (c) Property of a trust authorized by this section may be applied
522 only to its intended use, except to the extent the court determines that
523 the value of the trust property exceeds the amount required for the
524 intended use. Except as otherwise provided in the terms of the trust,
525 property not required for the intended use shall be distributed to the
526 settlor, if then living, otherwise to the settlor's successors in interest.

527 Sec. 29. (NEW) (*Effective July 1, 2011*) Except as provided in section
528 28 of this act or any other provision of the general statutes, the
529 following rules apply:

530 (1) A trust may be created for a noncharitable purpose without a
531 definite or definitely ascertainable beneficiary or for a noncharitable
532 but otherwise valid purpose to be selected by the trustee. The trust
533 may not be enforced for more than ninety years.

534 (2) A trust authorized by this section may be enforced by a person
535 appointed in the terms of the trust or, if no person is so appointed, by a
536 person appointed by the court.

537 (3) Property of a trust authorized by this section may be applied
538 only to its intended use, except to the extent the court determines that
539 the value of the trust property exceeds the amount required for the
540 intended use. Except as otherwise provided in the terms of the trust,
541 property not required for the intended use shall be distributed to the
542 settlor, if then living, otherwise to the settlor's successors in interest.

543 Sec. 30. (NEW) (*Effective July 1, 2011*) In addition to the methods of
544 termination prescribed in section 35 of this act, a noncharitable trust
545 terminates to the extent the trust is revoked or expires pursuant to its
546 terms, no purpose of the trust remains to be achieved, or the purposes
547 of the trust have become unlawful or impossible to achieve. A
548 charitable trust may be terminated only in accordance with the
549 provisions of section 45a-520 of the general statutes.

550 Sec. 31. (NEW) (*Effective July 1, 2011*) A proceeding to approve or
551 disapprove a proposed modification or termination under sections 32
552 to 34, inclusive, of this act, or trust combination or division under
553 section 37 of this act, may be commenced by a trustee or beneficiary.
554 The settlor of a charitable trust who has expressly provided for the
555 right to do so in the trust instrument may maintain a proceeding to
556 modify the trust under section 32 of this act.

557 Sec. 32. (NEW) (*Effective July 1, 2011*) (a) If, upon petition, the court
558 finds that the settlor, the trustee and all qualified beneficiaries consent
559 to the modification or termination of a noncharitable irrevocable trust,
560 or of a charitable trust whose settlor has expressly provided for the
561 right to do so in the trust instrument, the court may approve the
562 modification or termination even if the modification or termination is
563 inconsistent with a material purpose of the trust. A settlor's power to
564 consent to a trust's modification or termination may be exercised by (1)
565 an agent pursuant to a power of attorney only to the extent expressly
566 authorized by the power of attorney and the terms of the trust, (2) the
567 settlor's conservator with the approval of the court supervising the
568 conservatorship, if an agent is not so authorized, or (3) the settlor's

569 guardian with the approval of the court supervising the guardianship,
570 if an agent is not so authorized and a conservator has not been
571 appointed. This subsection does not apply to irrevocable trusts created
572 before or to revocable trusts that become irrevocable before the
573 effective date of this section.

574 (b) A noncharitable irrevocable trust, or a charitable trust whose
575 settlor has expressly provided for the right to do so in the trust
576 instrument, may be terminated or modified upon consent of the trustee
577 and all of the qualified beneficiaries if the court concludes that the
578 termination or modification is not inconsistent with a material purpose
579 of the trust and the probable intent of the settlor.

580 Sec. 33. (NEW) (*Effective July 1, 2011*) Except as otherwise provided
581 in section 34 of this act, if a particular charitable purpose becomes
582 unlawful, impracticable or impossible to achieve: (1) The trust does not
583 fail, in whole or in part; (2) the trust property does not revert to the
584 settlor or the settlor's successors in interest; and (3) the court may
585 apply cy pres to modify the trust by directing that the trust property be
586 applied or distributed, in whole or in part, in a manner consistent with
587 the settlor's charitable purposes.

588 Sec. 34. (NEW) (*Effective July 1, 2011*) A provision in the terms of a
589 charitable trust that would result in distribution of the trust property
590 to a noncharitable beneficiary prevails over the power of the court
591 under section 32 of this act to apply cy pres to modify or terminate the
592 trust only if, when the provision takes effect: (1) Except as provided in
593 section 45a-505 of the general statutes, the trust property is to revert to
594 the settlor and the settlor is still living; or (2) fewer than twenty-one
595 years have elapsed since the date of the trust's creation.

596 Sec. 35. (NEW) (*Effective July 1, 2011*) (a) If trust property has a total
597 value less than one hundred fifty thousand dollars and after notice to
598 the qualified beneficiaries, the trustee of a testamentary noncharitable
599 trust who obtains court approval, or the trustee of an inter vivos
600 noncharitable trust, with or without court approval, may terminate the

601 trust if such trustee concludes that the termination is not inconsistent
602 with the probable intent of the settlor and the value or character of the
603 trust property is insufficient or inappropriate to justify the cost of
604 administration.

605 (b) Upon termination of a trust under this section, the trustee shall
606 distribute the trust property in a manner consistent with the purposes
607 of the trust.

608 (c) This section does not apply to an easement for conservation or
609 preservation.

610 Sec. 36. (NEW) (*Effective July 1, 2011*) To achieve the settlor's tax
611 objectives, the court may modify the terms of a trust in a manner that
612 is not contrary to the settlor's probable intention. The court may
613 provide that the modification has retroactive effect.

614 Sec. 37. (NEW) (*Effective July 1, 2011*) After notice to the current
615 beneficiaries, a trustee may combine two or more trusts into a single
616 trust or divide a trust into two or more separate trusts, if the result
617 does not impair rights of any beneficiary or adversely affect
618 achievement of the purposes of the trust.

619 Sec. 38. (NEW) (*Effective July 1, 2011*) (a) To the extent a beneficiary's
620 interest in a trust is not subject to a spendthrift provision, except as
621 otherwise provided in sections 38 to 45, inclusive, of this act, the court
622 may authorize a creditor or assignee of the beneficiary to reach the
623 beneficiary's interest by attachment of present or future distributions
624 to or for the benefit of the beneficiary. The court may limit the award
625 to such relief as is appropriate under the circumstances, provided, the
626 court may not grant relief beyond the attachment of present or future
627 distributions.

628 (b) (1) A trustee of a charitable trust and a person holding and
629 administering an endowment fund, as defined in section 45a-527 of the
630 general statutes, or an institutional fund, as defined in section 45a-527

631 of the general statutes, shall not collateralize, mortgage, hypothecate,
632 pledge or otherwise encumber the following assets, if the source of the
633 asset was a charitable gift:

634 (A) Funds for which expenditures are restricted by the settlor for a
635 purpose other than the general purposes of a charity or institution; and

636 (B) The principal or corpus of a charitable trust or institutional fund
637 for which such principal or corpus is restricted to investment or
638 endowment purposes.

639 (2) No creditor or receiver appointed pursuant to chapter 920 of the
640 general statutes, or trustee appointed under Title 11 of the United
641 States Code, may attach, garnish, lien or otherwise use endowment
642 funds or institutional funds described in subdivision (1) of this
643 subsection to apply such funds to the payment of a charitable
644 beneficiary's debt, or its receivership or bankruptcy estate.

645 Sec. 39. (NEW) (*Effective July 1, 2011*) (a) A spendthrift provision is
646 valid only if it restrains both voluntary and involuntary transfer of a
647 beneficiary's interest. A provision in the terms of the trust permitting
648 the voluntary transfer of a beneficiary's interest, but only with the
649 consent of another person or entity, including the trustee, specified in
650 the terms of the trust, shall be deemed to be an acceptable restraint on
651 voluntary transfer.

652 (b) A term of a trust providing that the interest of a beneficiary is
653 held subject to a "spendthrift trust", or words of similar import, is
654 sufficient to restrain both voluntary and involuntary transfer of the
655 beneficiary's interest.

656 (c) A beneficiary may not transfer an interest in a trust in violation
657 of a valid spendthrift provision and, except as otherwise provided in
658 sections 38 to 45, inclusive, of this act, a creditor or assignee of the
659 beneficiary may not reach the interest or a distribution by the trustee
660 before its receipt by the beneficiary.

661 (d) A spendthrift provision is valid even though a beneficiary is
662 named as the sole trustee or as a cotrustee of the trust.

663 (e) A spendthrift provision is enforceable against a former spouse of
664 the beneficiary.

665 Sec. 40. (NEW) (*Effective July 1, 2011*) (a) For the purposes of this
666 section, "child" includes any person for whom an order or judgment
667 for child support has been entered in this or another state.

668 (b) Even if a trust contains a spendthrift provision, a beneficiary's
669 child who has a judgment or court order against the beneficiary for
670 support or maintenance may obtain from a court an order attaching
671 present or future distributions to or for the benefit of the beneficiary,
672 but only if distributions can be made for the beneficiary's support
673 under the terms of the trust.

674 Sec. 41. (NEW) (*Effective July 1, 2011*) (a) For the purposes of this
675 section, "child" includes any person for whom an order or judgment
676 for child support has been entered in this or another state.

677 (b) Except as otherwise provided in subdivision (2) of subsection (a)
678 of section 42 of this act or subsection (c) of this section, whether or not
679 a trust contains a spendthrift provision, a creditor of a beneficiary may
680 not compel a distribution that is subject to the trustee's discretion, even
681 if: (1) The discretion is expressed in the form of a standard of
682 distribution; or (2) the trustee has abused the discretion.

683 (c) To the extent a trustee has not complied with a standard of
684 distribution or has abused a discretion: (1) A distribution may be
685 ordered by the court to satisfy a judgment or court order against the
686 beneficiary for support or maintenance of the beneficiary's child; and
687 (2) the court may direct the trustee to pay to the child only such
688 amount as is equitable under the circumstances, but in no event more
689 than the amount the trustee would have been required to distribute to
690 or for the benefit of the beneficiary had the trustee complied with the

691 standard or not abused the discretion.

692 (d) This section does not limit the preexisting right of a beneficiary,
693 if any, to maintain a judicial proceeding against a trustee for an abuse
694 of discretion or failure to comply with a standard for distribution.

695 (e) With respect to the powers set forth in section 45 of this act, the
696 provisions of this section shall apply even though the beneficiary is the
697 sole trustee or a cotrustee of the trust.

698 Sec. 42. (NEW) (*Effective July 1, 2011*) (a) Whether or not the terms of
699 a trust contain a spendthrift provision, the following rules apply:

700 (1) During the lifetime of the settlor, the property of a revocable
701 trust is subject to claims of the settlor's creditors.

702 (2) Except as provided in subdivisions (4) and (5) of this subsection,
703 with respect to an irrevocable trust, a creditor or assignee of the settlor
704 may reach the maximum amount that can be distributed to or for the
705 benefit of the settlor. If a trust has more than one settlor, the amount
706 the creditor or assignee of a particular settlor may reach may not
707 exceed the settlor's interest in the portion of the trust attributable to
708 such settlor's contribution.

709 (3) With respect to a trust created pursuant to 42 USC
710 1396p(d)(4)(A) or (C), as from time to time amended, the court may
711 limit the award to a creditor of the settlor under subdivision (1) or (2)
712 of this subsection to such relief as is appropriate under the
713 circumstances, considering, among any other factors determined to be
714 appropriate by the court, the supplemental needs of the beneficiary.

715 (4) A creditor or assignee of the settlor may not reach the assets of
716 an irrevocable trust, in whole or in part, solely because of the existence
717 of a discretionary power granted to the trustee by the terms of the
718 trust, or any other provision of law, to pay directly to the taxing
719 authorities or to reimburse the settlor for any tax on trust income or
720 principal which is payable by the settlor under the law imposing such

721 tax.

722 (5) A creditor or assignee of a settlor may not reach the assets of an
723 irrevocable trust except in accordance with the terms of the trust
724 instrument if (A) all of the settlors of the trust are commercial entities
725 organized to conduct business activities; (B) at least one trustee is a
726 commercial entity organized to conduct business activities; and (C) the
727 trust is created by contract in order to facilitate a business purpose of
728 the settlors.

729 (6) After the death of a settlor, and subject to the settlor's right to
730 direct the source from which liabilities will be paid, except as
731 otherwise provided in section 45a-472 of the general statutes, the
732 property of a trust that was revocable at the settlor's death is subject to
733 claims of the settlor's creditors, costs of administration of the settlor's
734 estate, the expenses of the settlor's funeral and disposal of remains, to
735 the extent the settlor's probate estate is inadequate to satisfy such
736 claims, costs, expenses and allowance.

737 (b) With respect to claims, expenses and taxes in connection with
738 the settlement of a trust that was revocable at the settlor's death, the
739 following rules apply:

740 (1) Any claim of a creditor that would be barred against the
741 fiduciary of a decedent's estate, the estate of the decedent or any
742 creditor or beneficiary of the decedent's estate, shall be barred against
743 the trustee, the trust property and the creditors and beneficiaries of the
744 trust.

745 (2) The trustee may use the optional notice procedures set forth in
746 section 45a-357 of the general statutes and, upon the trustee's
747 compliance with such procedures, any person notified in accordance
748 with said section shall be forever barred from asserting or recovering
749 on any claim such person may have from the trustee, the trust
750 property or any creditor or beneficiary of the trust.

751 (3) The provisions of section 45a-365 of the general statutes
752 concerning the order of payment of claims, expenses and taxes shall
753 apply to the settlement of the revocable trust.

754 (4) In the event that an application for administration or probate has
755 been filed for the estate of the settlor of a trust, if the trustee of such
756 trust, within thirty days from the appointment of the first fiduciary of
757 the settlor's estate, has filed a notice with the probate court having
758 jurisdiction of the settlor's estate setting forth the name and address of
759 the trustee, no trustee of such trust shall be chargeable for any assets
760 that a trustee may have paid or distributed in good faith in satisfaction
761 of any lawful claims, expenses or taxes or to any beneficiary before
762 such claim was presented if such claim was not presented in writing to
763 the fiduciary of the settlor's estate or the trustee within one hundred
764 fifty days from the date of the appointment of the first fiduciary of the
765 settlor's estate. If no fiduciary of the settlor's estate has been appointed
766 or if no such notice is filed by the trustee within thirty days from the
767 appointment of the first fiduciary of the settlor's estate, no trustee of
768 such trust shall be chargeable for any assets that a trustee may have
769 paid or distributed in good faith in satisfaction of any lawful claims,
770 expenses or taxes or to any beneficiary before such claim was
771 presented if such claim was not presented in writing to the trustee
772 within one hundred fifty days from the date of the publication of a
773 newspaper notice in accordance with subdivision (5) of this subsection.
774 A payment or distribution of assets by a trustee shall be deemed to
775 have been made in good faith unless the creditor can prove that the
776 trustee had actual knowledge of such claim at the time of such
777 payment or distribution. Such one-hundred-fifty-day period shall not
778 be interrupted or affected by the death, resignation or removal of a
779 trustee, except that the time during which there is no fiduciary in office
780 shall not be counted as part of such period. Under no circumstances
781 shall the trustee be compelled by the court or a creditor to provide a
782 copy of any trust agreement to any party or to the court based upon
783 the filing of such a notice.

784 (5) A trustee may cause newspaper notice to be published at least
785 once notifying all persons having claims to present their claims to the
786 trustee. Such newspaper notice shall state: (A) The name of the trustee
787 and the address at which claims should be presented; (B) that persons
788 with claims should promptly present those claims to the trustee; and
789 (C) that failure to promptly present any such claim may result in the
790 loss of right to recover on such claim.

791 (c) For the purposes of this section:

792 (1) Except as otherwise provided in section 45 of this act, during the
793 period the power may be exercised, the holder of a power of
794 withdrawal is treated in the same manner as the settlor of a revocable
795 trust to the extent of the property subject to the power; and

796 (2) Upon the lapse, release or waiver of the power, the holder is
797 treated as the settlor of the trust only to the extent the value of the
798 property affected by the lapse, release or waiver exceeds the greater of
799 the amount specified in Section 2041(b)(2) or 2514(e) of the Internal
800 Revenue Code of 1986, and the regulations thereunder, or Section
801 2503(b) of the Internal Revenue Code of 1986, and the regulations
802 thereunder, in each case as in effect on the effective date of this section.

803 Sec. 43. (NEW) (*Effective July 1, 2011*) Except as otherwise provided
804 in section 45 of this act, whether or not a trust contains a spendthrift
805 provision, a creditor or assignee of a beneficiary may reach a
806 mandatory distribution of income or principal, including a distribution
807 upon termination of the trust, if the trustee has not made the
808 distribution to the beneficiary within a reasonable time after the
809 mandated distribution date.

810 Sec. 44. (NEW) (*Effective July 1, 2011*) Trust property is not subject to
811 personal obligations of the trustee, even if the trustee becomes
812 insolvent or bankrupt.

813 Sec. 45. (NEW) (*Effective July 1, 2011*) (a) For all purposes under

814 sections 38 to 45, inclusive, of this act, whether or not a trust contains a
815 spendthrift provision, a creditor of a beneficiary, other than the settlor
816 if the settlor is a beneficiary of the trust, may not attach or compel a
817 distribution of property that is subject:

818 (1) To a power of withdrawal held by the beneficiary if the value of
819 the property subject to the power does not exceed the greater of the
820 amount specified in Section 2041(b)(2) or 2514(e) of the Internal
821 Revenue Code of 1986, and the regulations thereunder, or Section
822 2503(b) of the Internal Revenue Code of 1986, and the regulations
823 thereunder, in each case as in effect on the effective date of this section;

824 (2) Except as otherwise provided in subsection (c) of section 41 of
825 this act, to a power, whether mandatory or discretionary, held by the
826 trustee of the trust, including a power held by the beneficiary as the
827 sole trustee or a cotrustee of the trust, to make distributions to or for
828 the benefit of the beneficiary, if the power is exercisable by the trustee
829 only in accordance with an ascertainable standard relating to such
830 beneficiary's individual health, education, support or maintenance
831 within the meaning of Section 2041(b)(1)(A) or Section 2514(c)(1) of the
832 Internal Revenue Code of 1986, and the regulations thereunder, as in
833 effect on the effective date of this section; or

834 (3) To a power, whether mandatory or discretionary, held by the
835 trustee of the trust, including a power held by the beneficiary as the
836 sole trustee or a cotrustee of the trust, to make distributions to or for
837 the benefit of a person who the beneficiary has an obligation to
838 support, if the power is exercisable by the trustee only in accordance
839 with an ascertainable standard relating to such person's individual
840 health, education, support or maintenance within the meaning of
841 Section 2041(b)(1)(A) or Section 2514(c)(1) of the Internal Revenue
842 Code of 1986, and the regulations thereunder, as in effect on the
843 effective date of this section.

844 (b) A beneficiary holding a power set forth in subsection (a) of this
845 section shall not, during the period the power may be exercised or

846 upon the lapse, release or waiver of the power, be treated as a settlor of
847 the trust.

848 (c) Sections 38 to 45, inclusive, of this act shall not apply to statutory
849 trusts created pursuant to chapter 615 of the general statutes to the
850 extent inconsistent with the terms of chapter 615 of the general
851 statutes.

852 Sec. 46. (NEW) (*Effective July 1, 2011*) The capacity required to create,
853 amend, revoke or add property to a revocable trust, or to direct the
854 actions of the trustee of a revocable trust, is the same as that required
855 to make a will.

856 Sec. 47. (NEW) (*Effective July 1, 2011*) (a) Unless the terms of a trust
857 expressly provide that the trust is irrevocable, the settlor may revoke
858 or amend the trust. This subsection does not apply (1) to a trust created
859 under an instrument executed before the effective date of this section,
860 (2) charitable pledges, or (3) other charitable gifts in which the
861 charitable interest has otherwise vested.

862 (b) If a revocable trust is created or funded by more than one settlor:
863 (1) To the extent the trust consists of community property, the trust
864 may be revoked by either spouse acting alone, but may be amended
865 only by joint action of both spouses; and (2) to the extent the trust
866 consists of property other than community property, each settlor may
867 revoke or amend the trust with regard to the portion of the trust
868 property attributable to such settlor's contribution.

869 (c) (1) The settlor may revoke or amend a revocable trust by
870 substantial compliance with a method provided in the terms of the
871 trust.

872 (2) If the terms of the trust do not provide a method, or the method
873 provided in the terms is not expressly made exclusive, the settlor may
874 revoke or amend a revocable trust by (A) executing a later will or
875 codicil that has been admitted to probate and that expressly refers to

876 the trust or expressly devises specifically identified items of real or
877 personal property that would otherwise have passed according to the
878 terms of the trust, or (B) any other method manifesting clear and
879 convincing evidence of the settlor's intent, provided (i) a written
880 revocable trust may only be amended by a later written instrument,
881 and (ii) a written revocable trust may only be revoked by a later
882 written instrument or by the burning, cancellation, tearing or
883 obliteration of the revocable trust by the settlor or by some person in
884 the settlor's presence and at the settlor's direction.

885 (d) Upon revocation of a revocable trust, the trustee shall deliver the
886 trust property as the settlor directs.

887 (e) A settlor's powers with respect to revocation, amendment or
888 distribution of trust property may be exercised by an agent under a
889 power of attorney only to the extent expressly authorized by the terms
890 of the trust and the power of attorney.

891 (f) Unless expressly prohibited by the terms of the trust, a
892 conservator of the settlor may exercise a settlor's powers with respect
893 to revocation, amendment or distribution of trust property with the
894 approval of the trustee and the court supervising the conservatorship.

895 (g) A trustee who does not know that a trust has been revoked or
896 amended is not liable to the settlor or settlor's successors in interest for
897 distributions made and other actions taken on the assumption that the
898 trust had not been amended or revoked.

899 (h) A trust created pursuant to 42 USC 1396p(d)(4), as from time to
900 time amended, is irrevocable if the terms of the trust prohibit the
901 settlor from revoking it, even if the settlor's estate or the settlor's heirs
902 at law are named as the remainder beneficiary of the trust upon the
903 settlor's death.

904 Sec. 48. (NEW) (*Effective July 1, 2011*) (a) While a trust is revocable
905 and the settlor has capacity to revoke the trust, rights of the

906 beneficiaries are subject to the control of, and the duties of the trustee
907 are owed exclusively to, the settlor.

908 (b) If a revocable trust has more than one settlor, the duties of the
909 trustee are owed to all of the settlors having capacity to revoke the
910 trust.

911 (c) During the period the power may be exercised, the holder of a
912 power of withdrawal has the rights of a settlor of a revocable trust
913 under this section to the extent of the property subject to the power.

914 Sec. 49. (NEW) (*Effective July 1, 2011*) (a) A person may commence a
915 judicial proceeding to contest the validity of a trust that was revocable
916 at the settlor's death within the earlier of:

917 (1) Two years after the settlor's death; or

918 (2) One hundred fifty days after the trustee sent the person a copy of
919 the trust instrument and a notice informing the person of the trust's
920 existence, of the trustee's name and address, and of the time allowed
921 for commencing a proceeding. The trustee shall have the right to
922 provide the documentation and information set forth in this
923 subdivision to (A) all persons who would be entitled to notice of the
924 application for probate of a will or administration of an intestate estate
925 or to notice of the admission of a will to probate or the granting of
926 letters of administration, and (B) the beneficiaries of the trust, and all
927 persons whose interests are, in the opinion of the trustee, adversely
928 affected by the trust.

929 (b) Upon the death of the settlor of a trust that was revocable at the
930 settlor's death, the trustee may proceed to distribute the trust property
931 in accordance with the terms of the trust. The trustee is not subject to
932 liability for doing so unless: (1) The trustee knows of a pending judicial
933 proceeding contesting the validity of the trust; (2) a potential
934 contestant has notified the trustee of a possible judicial proceeding to
935 contest the trust and a judicial proceeding is commenced within sixty

936 days after the contestant sent the notification; or (3) the trustee failed to
937 give notice in accordance with section 67 of this act.

938 (c) A beneficiary of a trust that is determined to have been invalid is
939 liable to return any distribution received.

940 Sec. 50. (NEW) (*Effective July 1, 2011*) (a) Except as otherwise
941 provided in subsection (c) of this section, a person designated as
942 trustee accepts the trusteeship: (1) By substantially complying with a
943 method of acceptance provided in the terms of the trust; (2) if the terms
944 of the trust do not provide a method or the method provided in the
945 terms is not expressly made exclusive, by accepting delivery of the
946 trust property, exercising powers or performing duties as trustee, or
947 otherwise indicating acceptance of the trusteeship; or (3) in the case of
948 a testamentary trust, filing an acceptance of trust in the court with
949 jurisdiction over the trust.

950 (b) A person designated as trustee who has not yet accepted the
951 trusteeship may reject the trusteeship. A designated trustee who does
952 not accept the trusteeship within a reasonable time after knowing of
953 the designation is deemed to have rejected the trusteeship.

954 (c) A person designated as trustee, without accepting the
955 trusteeship, may: (1) Act to preserve the trust property if, within a
956 reasonable time after acting, the person sends a rejection of the
957 trusteeship to the settlor or, if the settlor is dead or lacks capacity, to a
958 qualified beneficiary; and (2) inspect or investigate trust property to
959 determine potential liability under state or federal environmental or
960 other law or for any other purpose.

961 (d) A testamentary trustee that is a foreign corporation shall also
962 comply with section 45a-206 of the general statutes.

963 Sec. 51. (NEW) (*Effective July 1, 2011*) (a) A trustee shall give bond to
964 secure performance of the trustee's duties only if the court finds that a
965 bond is needed to protect the interests of the beneficiaries or is

966 required by the terms of the trust and, in the case of noncharitable
967 trusts, the court has not dispensed with the requirement.

968 (b) The court may specify the amount of a bond, its liabilities, and
969 whether sureties are necessary. Except in the case of a charitable trust,
970 the court may modify or terminate a bond at any time.

971 Sec. 52. (NEW) (*Effective July 1, 2011*) (a) Cotrustees who are unable
972 to reach a unanimous decision may act by majority decision.

973 (b) If a vacancy occurs in a cotrusteeship, the remaining cotrustees
974 may act for the trust.

975 (c) A cotrustee shall participate in the performance of a trustee's
976 function unless the cotrustee is unavailable to perform the function
977 because of absence, illness, disqualification under other law or other
978 temporary incapacity or the cotrustee has properly delegated the
979 performance of the function to another trustee.

980 (d) If a cotrustee is unavailable to perform duties because of
981 absence, illness, disqualification under other law or other temporary
982 incapacity, and prompt action is necessary to achieve the purposes of
983 the trust or to avoid injury to the trust property, the remaining
984 cotrustee or a majority of the remaining cotrustees may act for the
985 trust.

986 (e) A trustee may delegate to a cotrustee the performance of any
987 function other than a function that the terms of the trust expressly
988 require to be performed by the trustees jointly. Unless a delegation
989 was irrevocable, a delegating trustee may revoke a delegation
990 previously made.

991 (f) Except as otherwise provided in subsection (g) of this section, a
992 trustee who does not join in an action of another trustee is not liable for
993 the action.

994 (g) Each trustee shall exercise reasonable care to: (1) Prevent a

995 cotrustee from committing a serious breach of trust; and (2) compel a
996 cotrustee to redress a serious breach of trust.

997 (h) A dissenting trustee who joins in an action at the direction of the
998 majority of the trustees and who notified any cotrustee of the dissent at
999 or before the time of the action is not liable for the action unless the
1000 action is a serious breach of trust.

1001 Sec. 53. (NEW) (*Effective July 1, 2011*) (a) A vacancy in a trusteeship
1002 occurs if: (1) A person designated as trustee rejects the trusteeship; (2)
1003 a person designated as trustee cannot be identified or does not exist;
1004 (3) a trustee resigns; (4) a trustee is disqualified or removed; (5) a
1005 trustee dies; or (6) a conservator is appointed for an individual serving
1006 as trustee.

1007 (b) If one or more cotrustees remain in office, a vacancy in a
1008 trusteeship of a noncharitable trust need not be filled, unless otherwise
1009 required by the terms of the trust. A vacancy in a trusteeship shall be
1010 filled if the trust has no remaining trustee. A vacancy in a trusteeship
1011 of a charitable trust shall be filled, unless otherwise excused by the
1012 terms of the trust.

1013 (c) A vacancy in a trusteeship required to be filled shall be filled in
1014 the following order of priority: (1) By a person designated in the terms
1015 of the trust to act as successor trustee or appointed according to a
1016 procedure specified in such terms; (2) in the case of a noncharitable
1017 trust, by a person appointed by unanimous agreement of the qualified
1018 beneficiaries; or (3) by a person appointed by the court.

1019 (d) Whether or not a vacancy in a trusteeship exists or is required to
1020 be filled, the court may appoint an additional trustee or special
1021 fiduciary whenever the court considers the appointment necessary for
1022 the administration of the trust.

1023 Sec. 54. (NEW) (*Effective July 1, 2011*) (a) A trustee of an inter vivos
1024 trust may resign without court approval upon at least thirty days

1025 notice to either: (1) The qualified beneficiaries, the settlor, if living, and
1026 all cotrustees; or (2) the court.

1027 (b) A trustee of a testamentary trust may resign: (1) Without court
1028 approval upon at least thirty days notice to the qualified beneficiaries
1029 and the court; or (2) with the approval of the court.

1030 (c) In approving a resignation pursuant to subdivision (2) of
1031 subsection (b) of this section, the court may issue orders and impose
1032 conditions reasonably necessary for the protection of the trust
1033 property, the beneficiaries and the other trustees, and may issue such
1034 other orders as law and equity may require.

1035 (d) Any liability of a resigning trustee or of any sureties on such
1036 trustee's bond for acts or omissions of such trustee is not discharged or
1037 affected by such trustee's resignation.

1038 Sec. 55. (NEW) (*Effective July 1, 2011*) (a) The settlor of a
1039 noncharitable trust, the settlor of a charitable trust who has expressed
1040 the right to do so, the Attorney General in the case of a charitable trust,
1041 a cotrustee or a beneficiary may request the court to remove a trustee,
1042 or a trustee may be removed by the court on its own initiative.

1043 (b) The court may remove a trustee if:

1044 (1) The trustee has committed a serious breach of trust;

1045 (2) Lack of cooperation among cotrustees substantially impairs the
1046 administration of the trust;

1047 (3) Because of unfitness, unwillingness, or persistent failure of the
1048 trustee to administer the trust effectively, the court determines that
1049 removal of the trustee best serves the interests of the beneficiaries; or

1050 (4) There has been a substantial change of circumstances or removal
1051 is requested by all of the qualified beneficiaries, the court finds that
1052 removal of the trustee best serves the interests of all of the beneficiaries

1053 and is not inconsistent with a material purpose of the trust, and a
1054 suitable cotrustee or successor trustee is available. A successor
1055 corporate fiduciary shall not be removed in such a manner as to
1056 discriminate against state banks or national banking associations. No
1057 consolidated state bank or national banking association and no
1058 receiving state bank or national banking association may be removed
1059 solely because it is a successor fiduciary, as defined in section 45a-245a
1060 of the general statutes.

1061 Sec. 56. (NEW) (*Effective July 1, 2011*) (a) Unless a cotrustee remains
1062 in office or the court otherwise orders, and until the trust property is
1063 delivered to a successor trustee or other person entitled to it, a trustee
1064 who has resigned or been removed has the duties of a trustee and the
1065 powers necessary to protect the trust property.

1066 (b) A trustee who has resigned or been removed shall proceed
1067 expeditiously to deliver the trust property within the trustee's
1068 possession to the cotrustee, successor trustee or other person entitled
1069 to it.

1070 Sec. 57. (NEW) (*Effective July 1, 2011*) (a) If the terms of a trust do not
1071 specify the trustee's compensation, a trustee is entitled to
1072 compensation that is reasonable under the circumstances.

1073 (b) If the terms of a trust specify the trustee's compensation, the
1074 trustee is entitled to be compensated as specified, but the court may
1075 allow more or less compensation if: (1) The duties of the trustee are
1076 substantially different from those contemplated when the trust was
1077 created; or (2) the compensation specified by the terms of the trust
1078 would be unreasonably low or high.

1079 Sec. 58. (NEW) (*Effective July 1, 2011*) (a) A trustee is entitled to be
1080 reimbursed out of the trust property, with interest as appropriate, for:
1081 (1) Expenses that were properly incurred in the defense or
1082 administration of the trust, unless the trustee is determined to have
1083 committed a breach of trust; and (2) to the extent necessary to prevent

1084 unjust enrichment of the trust, expenses that were not properly
1085 incurred in the administration of the trust.

1086 (b) An advance by the trustee of money for the protection of the
1087 trust gives rise to a lien against trust property to secure reimbursement
1088 with reasonable interest.

1089 Sec. 59. (NEW) (*Effective July 1, 2011*) Upon acceptance of a
1090 trusteeship, the trustee shall administer the trust in good faith, in
1091 accordance with its terms and purposes, the intentions of the settlor
1092 and the interests of the beneficiaries, and in accordance with sections 1
1093 to 86, inclusive, of this act.

1094 Sec. 60. (NEW) (*Effective July 1, 2011*) (a) A trustee shall invest and
1095 manage the trust assets solely in the interests of the beneficiaries.

1096 (b) Subject to the rights of persons dealing with or assisting the
1097 trustee as provided in section 82 of this act, a sale, encumbrance or
1098 other transaction involving the investment or management of trust
1099 property entered into by the trustee for the trustee's own personal
1100 account or which is otherwise affected by a conflict between the
1101 trustee's fiduciary and personal interests is voidable by a beneficiary
1102 affected by the transaction unless: (1) The transaction was authorized
1103 by the terms of the trust; (2) the transaction was approved by the court;
1104 (3) the beneficiary did not commence a judicial proceeding within the
1105 time allowed by section 75 of this act; (4) the beneficiary consented to
1106 the trustee's conduct, ratified the transaction or released the trustee as
1107 provided in section 79 of this act; or (5) the transaction involves a
1108 contract entered into or claim acquired by the trustee before the person
1109 became or contemplated becoming trustee.

1110 (c) A sale, encumbrance or other transaction involving the
1111 investment or management of trust property is presumed to be
1112 affected by a conflict between personal and fiduciary interests if it is
1113 entered into by the trustee with: (1) The trustee's spouse; (2) the
1114 trustee's descendants, sibling, parents or their spouses; (3) an agent or

1115 attorney of the trustee; or (4) a corporation or other person or
1116 enterprise in which the trustee, or a person that owns a significant
1117 interest in the trustee, has an interest that might affect the trustee's best
1118 judgment.

1119 (d) A transaction between a trustee and a beneficiary that does not
1120 concern trust property but that occurs during the existence of the trust
1121 or while the trustee retains significant influence over the beneficiary
1122 and from which the trustee obtains an advantage is voidable by the
1123 beneficiary unless the trustee establishes that the transaction was fair
1124 to the beneficiary.

1125 (e) A transaction not concerning trust property in which the trustee
1126 engages in the trustee's individual capacity involves a conflict between
1127 personal and fiduciary interests if the transaction concerns an
1128 opportunity properly belonging to the trust.

1129 (f) The following transactions are not presumed to be affected by a
1130 conflict of interest between a trustee's personal and fiduciary interests,
1131 provided the transaction and any investment made pursuant to the
1132 transaction complies with the Connecticut Uniform Prudent Investor
1133 Act, sections 45a-541 to 45a-541l, inclusive, of the general statutes, is in
1134 the best interests of the beneficiaries, and is not prohibited by the
1135 governing instrument: (1) An investment by a trustee in securities of
1136 an investment company or investment trust to which the trustee, or its
1137 affiliate, provides services in a capacity other than as trustee; (2) an
1138 investment by a trustee in an insurance contract purchased from an
1139 insurance agency owned by, or affiliated with, the trustee or its
1140 affiliate; or (3) the placing of securities transactions by a trustee
1141 through a securities broker that is a part of the same company as the
1142 trustee, is owned by the trustee or is affiliated with the trustee.

1143 (g) In voting shares of stock or in exercising powers of control over
1144 similar interests in other forms of enterprise, the trustee shall act in the
1145 best interests of the beneficiaries. If the trust is the sole owner of a
1146 corporation or other form of enterprise, the trustee shall elect or

1147 appoint directors or other managers who will manage the corporation
1148 or enterprise in the best interests of the beneficiaries.

1149 (h) This section does not preclude the following transactions, if fair
1150 to the beneficiaries: (1) An agreement between a trustee and a
1151 beneficiary relating to the appointment or compensation of the trustee;
1152 (2) payment of reasonable compensation to the trustee; (3) a
1153 transaction between a trust and another trust, decedent's estate or
1154 conservatorship of which the trustee is a fiduciary or in which a
1155 beneficiary has an interest; (4) a deposit of trust money in a regulated
1156 financial service institution operated by the trustee; or (5) an advance
1157 by the trustee of money for the protection of the trust.

1158 (i) The court may appoint a special fiduciary to make a decision
1159 with respect to any proposed transaction that might violate this section
1160 if entered into by the trustee.

1161 Sec. 61. (NEW) (*Effective July 1, 2011*) A trustee shall administer the
1162 trust as a prudent person would, by considering the purposes, terms,
1163 distributional requirements and other circumstances of the trust. In
1164 satisfying this standard, the trustee shall exercise reasonable care, skill
1165 and caution.

1166 Sec. 62. (NEW) (*Effective July 1, 2011*) (a) While a trust is revocable,
1167 the trustee may follow a direction of the settlor that is contrary to the
1168 terms of the trust.

1169 (b) If the terms of a trust confer upon a person other than the settlor
1170 of a revocable trust power to direct certain actions of the trustee, the
1171 trustee shall act in accordance with an exercise of such power unless
1172 the attempted exercise is manifestly contrary to the terms of the trust
1173 or the trustee knows the attempted exercise would constitute a serious
1174 breach of a fiduciary duty that the person holding such power owes to
1175 the beneficiaries of the trust.

1176 (c) The terms of a trust may confer upon a trustee or other person a

1177 power to direct the modification or termination of the trust.

1178 (d) A person, other than a beneficiary, who holds a power to direct
1179 as specified in subsection (b) or (c) of this section is presumptively a
1180 fiduciary and is required to act in good faith with regard to the
1181 purposes of the trust and the interests of the beneficiaries. The holder
1182 of a power to direct is liable for any loss that results from breach of a
1183 fiduciary duty.

1184 Sec. 63. (NEW) (*Effective July 1, 2011*) A trustee shall take reasonable
1185 steps to take control of and protect the trust property.

1186 Sec. 64. (NEW) (*Effective July 1, 2011*) (a) A trustee shall keep
1187 adequate records of the administration of the trust.

1188 (b) A trustee shall keep trust property separate from the trustee's
1189 own property.

1190 (c) Except as otherwise provided in subsection (d) of this section, a
1191 trustee shall cause the trust property to be designated so that the
1192 interest of the trust, to the extent feasible, appears in records
1193 maintained by a party other than a trustee or beneficiary.

1194 (d) If the trustee maintains records clearly indicating the respective
1195 interests, a trustee may invest as a whole the property of two or more
1196 separate trusts.

1197 Sec. 65. (NEW) (*Effective July 1, 2011*) A trustee shall take reasonable
1198 steps to enforce claims of the trust and to defend claims against the
1199 trust.

1200 Sec. 66. (NEW) (*Effective July 1, 2011*) A trustee shall take reasonable
1201 steps to compel a former trustee or other person to deliver trust
1202 property to the trustee, and to redress a breach of trust known to the
1203 trustee to have been committed by a former trustee.

1204 Sec. 67. (NEW) (*Effective July 1, 2011*) (a) Unless, under the

1205 circumstances, disclosure is unreasonable: (1) A trustee shall keep the
1206 current beneficiaries of the trust reasonably informed about the
1207 administration of the trust and of the material facts necessary for them
1208 to protect their interests; and (2) a trustee shall promptly respond to a
1209 qualified beneficiary's request for trustee's reports and other
1210 information reasonably related to the administration of the trust.

1211 (b) A trustee: (1) Upon request of a qualified beneficiary, shall
1212 promptly furnish to the qualified beneficiary a copy of the trust
1213 instrument; (2) within sixty days after accepting a trusteeship, shall
1214 notify the current beneficiaries of the acceptance and of the trustee's
1215 name, address and telephone number; and (3) within sixty days after
1216 the date the trustee acquires knowledge of the creation of an
1217 irrevocable trust, or the date the trustee acquires knowledge that a
1218 formerly revocable trust has become irrevocable, whether by the death
1219 of the settlor or otherwise, shall notify the current beneficiaries of the
1220 trust's existence, of the identity of the settlor or settlors, of the right to
1221 request a copy of the trust instrument and of the right to trustee's
1222 reports.

1223 (c) A trustee shall send to the current beneficiaries of the trust, and
1224 to other qualified beneficiaries who request it, at least annually and at
1225 the termination of the trust, a report of the trust property, liabilities,
1226 receipts and disbursements, including the source and amount of the
1227 trustee's compensation, a listing of the trust assets and, if feasible, their
1228 respective market values. Upon a vacancy in a trusteeship, unless a
1229 cotrustee remains in office, a report shall be sent to the current
1230 beneficiaries by the former trustee. An executor, administrator or
1231 conservator may send the current beneficiaries a report on behalf of a
1232 deceased or incapacitated trustee.

1233 (d) A current or qualified beneficiary may waive the right to
1234 trustee's reports or other information otherwise required to be
1235 furnished under this section. A beneficiary, with respect to future
1236 reports and other information, may withdraw a waiver previously

1237 given.

1238 (e) Judicial approval of a trustee's report forecloses claims as to
1239 those given notice of the proceeding as to matters disclosed in the
1240 report.

1241 Sec. 68. (NEW) (*Effective July 1, 2011*) (a) Notwithstanding the
1242 breadth of discretion granted to a trustee in the terms of the trust,
1243 including the use of such terms as "absolute", "sole" or "uncontrolled",
1244 the trustee shall exercise a discretionary power in good faith and in
1245 accordance with the terms and purposes of the trust, the intentions of
1246 the settlor and the interests of the beneficiaries.

1247 (b) Subject to subsection (d) of this section, and unless the terms of
1248 the trust expressly indicate that a rule in this subsection does not
1249 apply: (1) A person, other than a settlor, who is a beneficiary and
1250 trustee of a trust that confers on the trustee a power to make
1251 discretionary distributions to or for the trustee's personal benefit may
1252 exercise the power only in accordance with an ascertainable standard
1253 relating to the trustee's individual health, education, support or
1254 maintenance within the meaning of Section 2041(b)(1)(A) or 2514(c)(1)
1255 of the Internal Revenue Code of 1986, or any subsequent
1256 corresponding internal revenue code of the United States, as from time
1257 to time amended; and (2) a trustee may not exercise a power to make
1258 discretionary distributions to satisfy a legal obligation of support that
1259 the trustee personally owes another person.

1260 (c) A power to make discretionary distributions, the exercise of
1261 which is limited or prohibited by subsection (b) of this section, may be
1262 exercised by a majority of the remaining trustees whose exercise of
1263 such power is not so limited or prohibited. If the exercise of such
1264 power by all trustees is so limited or prohibited, the court may appoint
1265 a special fiduciary with authority to exercise such power.

1266 (d) Subsection (b) of this section does not apply to: (1) A power held
1267 by the settlor's spouse who is the trustee of a trust for which a marital

1268 deduction, as defined in Section 2056(b)(5) or 2523(e) of the Internal
1269 Revenue Code of 1986, or any subsequent corresponding internal
1270 revenue code of the United States, as from time to time amended, was
1271 previously allowed; (2) any trust during any period that the trust may
1272 be revoked or amended by its settlor; or (3) a trust, if contributions to
1273 the trust qualify for the annual exclusion under Section 2503(c) of the
1274 Internal Revenue Code of 1986, or any subsequent corresponding
1275 internal revenue code of the United States, as from time to time
1276 amended.

1277 Sec. 69. (NEW) (*Effective July 1, 2011*) (a) A trustee, without
1278 authorization by the court, may exercise: (1) Powers conferred by the
1279 terms of the trust; and (2) except as limited by the terms of the trust,
1280 (A) all powers over the trust property which an unmarried competent
1281 owner has over individually-owned property, (B) any other powers
1282 appropriate to achieve the proper investment, management and
1283 distribution of the trust property, and (C) any other powers conferred
1284 by sections 1 to 86, inclusive, of this act.

1285 (b) The exercise of any power is subject to the fiduciary duties
1286 prescribed by sections 59 to 71, inclusive, of this act.

1287 Sec. 70. (NEW) (*Effective July 1, 2011*) (a) Without limiting the
1288 authority conferred by section 69 of this act, a trustee may:

1289 (1) Collect trust property and accept or reject additions to the trust
1290 property from a settlor or any other person;

1291 (2) Acquire or sell property, for cash or on credit, at public or
1292 private sale;

1293 (3) Exchange, partition or otherwise change the character of trust
1294 property;

1295 (4) Deposit trust money in an account in a regulated financial
1296 service institution;

1297 (5) Borrow money, with or without security, and mortgage or
1298 pledge trust property for a period within or extending beyond the
1299 duration of the trust;

1300 (6) With respect to an interest in a proprietorship, partnership,
1301 limited liability company, business trust, corporation or other form of
1302 business or enterprise, continue the business or other enterprise and
1303 take any action that may be taken by shareholders, members or
1304 property owners, including merging, dissolving or otherwise changing
1305 the form of business organization or contributing additional capital;

1306 (7) With respect to stocks or other securities, exercise the rights of an
1307 absolute owner, including the right to (A) vote or give proxies to vote,
1308 with or without power of substitution, or enter into or continue a
1309 voting trust agreement, (B) hold a security in the name of a nominee or
1310 in other form without disclosure of the trust so that title may pass by
1311 delivery, (C) pay calls, assessments and other sums chargeable or
1312 accruing against the securities, and sell or exercise stock subscription
1313 or conversion rights, and (D) deposit the securities with a depository
1314 or other regulated financial service institution;

1315 (8) With respect to an interest in real property, construct or make
1316 ordinary or extraordinary repairs to, alterations to or improvements in
1317 buildings or other structures, demolish improvements, raze existing or
1318 erect new party walls or buildings, subdivide or develop land,
1319 dedicate land to public use or grant public or private easements, and
1320 make or vacate plats and adjust boundaries;

1321 (9) Enter into a lease for any purpose as lessor or lessee, including a
1322 lease or other arrangement for exploration and removal of natural
1323 resources, with or without the option to purchase or renew, for a
1324 period within or extending beyond the duration of the trust;

1325 (10) Grant an option involving a sale, lease or other disposition of
1326 trust property or acquire an option for the acquisition of property,
1327 including an option exercisable beyond the duration of the trust, and

1328 exercise an option so acquired;

1329 (11) Insure the property of the trust against damage or loss, and
1330 insure the trustee, the trustee's agents and beneficiaries against liability
1331 arising from the administration of the trust;

1332 (12) Abandon or decline to administer property of no value or of
1333 insufficient value to justify its collection or continued administration;

1334 (13) With respect to possible liability for violation of environmental
1335 law, (A) inspect or investigate property the trustee holds or has been
1336 asked to hold, or property owned or operated by an organization in
1337 which the trustee holds or has been asked to hold an interest, for the
1338 purpose of determining the application of environmental law with
1339 respect to the property, (B) take action to prevent, abate or otherwise
1340 remedy any actual or potential violation of any environmental law
1341 affecting property held directly or indirectly by the trustee, whether
1342 taken before or after the assertion of a claim or the initiation of
1343 governmental enforcement, (C) decline to accept property into trust or
1344 disclaim any power with respect to property that is or may be
1345 burdened with liability for violation of environmental law, (D)
1346 compromise claims against the trust which may be asserted for an
1347 alleged violation of environmental law, and (E) pay the expense of any
1348 inspection, review, abatement or remedial action to comply with
1349 environmental law;

1350 (14) Pay or contest any claim, settle a claim by or against the trust,
1351 and release, in whole or in part, a claim belonging to the trust;

1352 (15) Pay taxes, assessments, compensation of the trustee and of
1353 employees and agents of the trust, and other expenses incurred in the
1354 administration of the trust;

1355 (16) Exercise elections with respect to federal, state and local taxes;

1356 (17) Select a mode of payment under any employee benefit or
1357 retirement plan, annuity or life insurance payable to the trustee,

1358 exercise rights thereunder, including exercise of the right to
1359 indemnification for expenses and against liabilities, and take
1360 appropriate action to collect the proceeds;

1361 (18) Make loans out of trust property, including loans to a
1362 beneficiary on terms and conditions the trustee considers to be fair and
1363 reasonable under the circumstances, with the trustee having a lien on
1364 future distributions for repayment of such loans;

1365 (19) Pledge trust property to guarantee loans made by others to the
1366 beneficiary;

1367 (20) Appoint a trustee to act in another jurisdiction with respect to
1368 trust property located in the other jurisdiction, confer upon such
1369 appointed trustee all of the powers and duties of the appointing
1370 trustee, require that such appointed trustee furnish security, and
1371 remove any trustee so appointed;

1372 (21) Pay an amount distributable to a beneficiary who is under a
1373 legal disability or who the trustee reasonably believes is incapacitated,
1374 by: (A) Paying it directly to the beneficiary or applying it for the
1375 beneficiary's benefit; (B) paying it to the beneficiary's conservator; (C)
1376 paying it to the beneficiary's custodian under the Uniform Transfers to
1377 Minors Act or to the beneficiary's custodial trustee under the Uniform
1378 Custodial Trust Act, and, for such purpose, creating a custodianship or
1379 custodial trust; (D) if the trustee does not know of a conservator,
1380 custodian or custodial trustee, paying it to an adult relative or other
1381 person having legal or physical care or custody of the beneficiary, to be
1382 expended on the beneficiary's behalf; or (E) managing it as a separate
1383 fund on the beneficiary's behalf, subject to the beneficiary's continuing
1384 right to withdraw the distribution;

1385 (22) On distribution of trust property or the division or termination
1386 of a trust, make distributions in divided or undivided interests,
1387 allocate particular assets in proportionate or disproportionate shares,
1388 value the trust property for such purposes and adjust for resulting

1389 differences in valuation;

1390 (23) Resolve a dispute concerning the interpretation of the trust or
1391 its administration by mediation, arbitration or other procedure for
1392 alternative dispute resolution;

1393 (24) Prosecute or defend an action, claim or judicial proceeding in
1394 any jurisdiction to protect trust property and the trustee in the
1395 performance of the trustee's duties;

1396 (25) Sign and deliver contracts and other instruments that are useful
1397 to achieve or facilitate the exercise of the trustee's powers; and

1398 (26) On termination of the trust, exercise the powers appropriate to
1399 wind up the administration of the trust and distribute the trust
1400 property to the persons entitled to it.

1401 (b) The powers set forth in subsection (a) of this section shall not
1402 apply to a charitable trust to the extent that their exercise would give
1403 the trustee the authority to deviate from a stated charitable purpose or
1404 violate a restricted gift.

1405 Sec. 71. (NEW) (*Effective July 1, 2011*) (a) Upon termination or partial
1406 termination of a trust, the trustee of an inter vivos trust may send to
1407 the qualified beneficiaries a proposal for distribution. The right of any
1408 beneficiary to whom the trustee has sent the proposal to object to the
1409 proposed distribution terminates if the beneficiary does not notify the
1410 trustee of an objection not later than thirty days after the proposal was
1411 sent, but only if the proposal informed the beneficiary of the right to
1412 object and of the time allowed for objection.

1413 (b) Upon the occurrence of an event terminating or partially
1414 terminating a trust, the trustee shall proceed expeditiously to
1415 distribute the trust property to the persons entitled to it, subject to the
1416 right of the trustee to retain a reasonable reserve for the payment of
1417 debts, expenses and taxes.

1418 (c) A release by a beneficiary of a trustee from liability for breach of
1419 trust is invalid to the extent: (1) It was induced by improper conduct of
1420 the trustee; or (2) the beneficiary, at the time of the release, did not
1421 know of the beneficiary's rights or of the material facts relating to the
1422 breach.

1423 Sec. 72. (NEW) (*Effective July 1, 2011*) A violation by a trustee of a
1424 duty the trustee owes to a beneficiary is a breach of trust.

1425 Sec. 73. (NEW) (*Effective July 1, 2011*) (a) A trustee who commits a
1426 breach of trust is liable to the beneficiaries affected for the greater of:
1427 (1) The amount required to restore the value of the trust property and
1428 trust distributions to what they would have been had the breach not
1429 occurred; or (2) the profit the trustee made by reason of the breach.

1430 (b) Except as otherwise provided in this subsection, if more than one
1431 trustee is liable to the beneficiaries for a breach of trust, a trustee is
1432 entitled to contribution from the other trustee or trustees. A trustee is
1433 not entitled to contribution if the trustee was substantially more at
1434 fault than another trustee or if the trustee committed the breach of
1435 trust in bad faith or with reckless indifference to the purposes of the
1436 trust or the interests of the beneficiaries. A trustee who received a
1437 benefit from the breach of trust is not entitled to contribution from
1438 another trustee to the extent of the benefit received.

1439 Sec. 74. (NEW) (*Effective July 1, 2011*) (a) A trustee is accountable to
1440 an affected beneficiary for any profit made by the trustee arising from
1441 the administration of the trust, even absent a breach of trust.

1442 (b) Absent a breach of trust, a trustee is not liable to a beneficiary for
1443 a loss or depreciation in the value of trust property or for not having
1444 made a profit.

1445 Sec. 75. (NEW) (*Effective July 1, 2011*) (a) A beneficiary may not
1446 commence a proceeding against a trustee for breach of trust more than
1447 one year after the date the beneficiary or a representative of the

1448 beneficiary was sent a report that adequately disclosed the existence of
1449 a potential claim for breach of trust and informed the beneficiary of the
1450 time allowed for commencing a proceeding.

1451 (b) A report adequately discloses the existence of a potential claim
1452 for breach of trust if it provides sufficient information so that the
1453 beneficiary or representative knows of the potential claim or should
1454 have inquired into its existence.

1455 (c) If subsection (a) of this section does not apply, a judicial
1456 proceeding by a beneficiary against a trustee for breach of trust shall
1457 be commenced not later than two years after the first to occur of: (1)
1458 The removal or resignation of the trustee; (2) the termination of the
1459 beneficiary's interest in the trust; or (3) the termination of the trust.

1460 (d) In a proceeding involving a charitable trust, any notice that is
1461 required to be given to the Attorney General under this section shall
1462 include a copy of the trust instrument.

1463 Sec. 76. (NEW) (*Effective July 1, 2011*) A trustee who acts in
1464 reasonable reliance on the terms of the trust as expressed in the trust
1465 instrument is not liable to a beneficiary for a breach of trust to the
1466 extent the breach resulted from the reliance.

1467 Sec. 77. (NEW) (*Effective July 1, 2011*) If the happening of an event,
1468 including marriage, divorce, performance of educational requirements
1469 or death, affects the administration or distribution of a trust, a trustee
1470 who has exercised reasonable care to ascertain the happening of the
1471 event is not liable for a loss resulting from the trustee's lack of
1472 knowledge.

1473 Sec. 78. (NEW) (*Effective July 1, 2011*) (a) A term of a trust relieving a
1474 trustee of liability for breach of trust is unenforceable to the extent that
1475 it: (1) Relieves the trustee of liability for breach of trust committed in
1476 bad faith or with reckless indifference to the purposes of the trust or
1477 the interests of the beneficiaries; or (2) was inserted as the result of an

1478 abuse by the trustee of a fiduciary or confidential relationship to the
1479 settlor.

1480 (b) Except for terms intended to provide protection for carrying out
1481 a stated trust purpose, an exculpatory term drafted or caused to be
1482 drafted by the trustee is invalid as an abuse of a fiduciary or
1483 confidential relationship unless the trustee proves that the exculpatory
1484 term is fair under the circumstances and that its existence and contents
1485 were adequately communicated to the settlor.

1486 Sec. 79. (NEW) (*Effective July 1, 2011*) A trustee is not liable to a
1487 beneficiary for breach of trust if the beneficiary consented to the
1488 conduct constituting the breach, released the trustee from liability for
1489 the breach, or ratified the transaction constituting the breach, unless:
1490 (1) The consent, release or ratification of the beneficiary was induced
1491 by improper conduct of the trustee; or (2) at the time of the consent,
1492 release or ratification, the beneficiary did not know of the beneficiary's
1493 rights or of the material facts relating to the breach.

1494 Sec. 80. (NEW) (*Effective July 1, 2011*) (a) Except as otherwise
1495 provided in the contract, a trustee is not personally liable on a contract
1496 properly entered into in the trustee's fiduciary capacity in the course of
1497 administering the trust if the trustee in the contract disclosed the
1498 fiduciary capacity.

1499 (b) Except as otherwise limited by any provision of the general
1500 statutes, a trustee is personally liable for torts committed in the course
1501 of administering a trust, or for obligations arising from ownership or
1502 control of trust property, including liability for violation of
1503 environmental law, only if the trustee is personally at fault.

1504 (c) A claim based on (1) a contract entered into by a trustee in the
1505 trustee's fiduciary capacity, (2) an obligation arising from ownership or
1506 control of trust property, or (3) a tort committed in the course of
1507 administering a trust, may be asserted in a judicial proceeding against
1508 the trustee in the trustee's fiduciary capacity, whether or not the

1509 trustee is personally liable for the claim.

1510 Sec. 81. (NEW) (*Effective July 1, 2011*) (a) Except as otherwise
1511 provided in subsection (c) of this section, or unless personal liability is
1512 imposed in the contract, a trustee who holds an interest as a general
1513 partner in a general or limited partnership is not personally liable on a
1514 contract entered into by the partnership after the trust's acquisition of
1515 the interest if the fiduciary capacity was disclosed in the contract or in
1516 a statement previously filed pursuant to the Uniform Partnership Act,
1517 sections 34-300 to 34-399, inclusive, of the general statutes, or the
1518 Uniform Limited Partnership Act, sections 34-9 to 34-38u, inclusive, of
1519 the general statutes.

1520 (b) Except as otherwise provided in subsection (c) of this section, a
1521 trustee who holds an interest as a general partner is not personally
1522 liable for torts committed by the partnership or for obligations arising
1523 from ownership or control of the interest unless the trustee is
1524 personally at fault.

1525 (c) The immunity provided by this section does not apply if an
1526 interest in the partnership is held by the trustee in a capacity other
1527 than that of trustee or is held by the trustee's spouse or one or more of
1528 the trustee's descendants, siblings or parents or the spouse of any of
1529 them.

1530 (d) If the trustee of a revocable trust holds an interest as a general
1531 partner, the settlor is personally liable for contracts and other
1532 obligations of the partnership as if the settlor were a general partner.

1533 Sec. 82. (NEW) (*Effective July 1, 2011*) (a) A person other than a
1534 beneficiary who in good faith assists a trustee, or who in good faith
1535 and for value deals with a trustee, without knowledge that the trustee
1536 is exceeding or improperly exercising the trustee's powers, is protected
1537 from liability as if the trustee properly exercised the power.

1538 (b) A person other than a beneficiary who in good faith deals with a

1539 trustee is not required to inquire into the extent of the trustee's powers
1540 or the propriety of their exercise.

1541 (c) A person who in good faith delivers assets to a trustee need not
1542 ensure their proper application.

1543 (d) A person other than a beneficiary who in good faith assists a
1544 former trustee, or who in good faith and for value deals with a former
1545 trustee, without knowledge that the trustee has terminated, is
1546 protected from liability as if the former trustee were still a trustee.

1547 (e) Comparable protective provisions of other laws relating to
1548 commercial transactions or transfer of securities by fiduciaries prevail
1549 over the protection provided by this section.

1550 Sec. 83. (NEW) (*Effective July 1, 2011*) (a) Instead of furnishing a copy
1551 of the trust instrument to a person other than a beneficiary, or the
1552 Attorney General's office in the case of a charitable trust, the trustee
1553 may furnish to the person a certification of trust containing the
1554 following information: (1) That the trust exists and the date the trust
1555 instrument was executed; (2) the identity of the settlor; (3) the identity
1556 and address of the currently acting trustee; (4) the powers of the
1557 trustee; (5) the revocability or irrevocability of the trust and the
1558 identity of any person holding a power to revoke the trust; (6) the
1559 authority of cotrustees to sign or otherwise authenticate, and whether
1560 all or less than all are required in order to exercise powers of the
1561 trustee; (7) the trust's taxpayer identification number; and (8) the
1562 manner of taking title to trust property.

1563 (b) A certification of trust may be signed or otherwise authenticated
1564 by any trustee.

1565 (c) A certification of trust shall state that the trust has not been
1566 revoked, modified or amended in any manner that would cause the
1567 representations contained in the certification of trust to be incorrect.

1568 (d) A certification of trust need not contain the dispositive terms of a

1569 trust.

1570 (e) A recipient of a certification of trust may require the trustee to
1571 furnish copies of those excerpts from the original trust instrument and
1572 later amendments which designate the trustee and confer upon the
1573 trustee the power to act in the pending transaction.

1574 (f) A person who acts in reliance upon a certification of trust
1575 without knowledge that the representations contained therein are
1576 incorrect is not liable to any person for so acting and may assume
1577 without inquiry the existence of the facts contained in the certification.

1578 (g) A person who in good faith enters into a transaction in reliance
1579 upon a certification of trust may enforce the transaction against the
1580 trust property as if the representations contained in the certification
1581 were correct.

1582 (h) A person making a demand for the trust instrument in addition
1583 to a certification of trust or excerpts is liable for damages if the court
1584 determines that the person did not act in good faith in demanding the
1585 trust instrument.

1586 (i) This section does not limit the right of a person to obtain a copy
1587 of the trust instrument in a judicial proceeding concerning the trust.

1588 Sec. 84. (NEW) (*Effective July 1, 2011*) In applying and construing the
1589 uniform provisions of sections 1 to 86, inclusive, of this act,
1590 consideration must be given to the need to promote uniformity of the
1591 law with respect to the subject matter among states that enact such
1592 uniform provisions.

1593 Sec. 85. (NEW) (*Effective July 1, 2011*) If any provision of sections 1 to
1594 86, inclusive, of this act or its application to any person or
1595 circumstances is held invalid, the invalidity does not affect other
1596 provisions or applications of sections 1 to 86, inclusive, of this act
1597 which can be given effect without the invalid provision or application,
1598 and to this end the provisions of sections 1 to 86, inclusive, of this act

1599 are severable.

1600 Sec. 86. (NEW) (*Effective July 1, 2011*) (a) Except as otherwise
1601 provided in sections 1 to 86, inclusive, of this act, on the effective date
1602 of this section:

1603 (1) Sections 1 to 86, inclusive, of this act apply to all trusts created
1604 before, on or after the effective date of this section;

1605 (2) Sections 1 to 86, inclusive, of this act apply to all judicial
1606 proceedings concerning trusts commenced on or after the effective
1607 date of this section;

1608 (3) Sections 1 to 86, inclusive, of this act apply to judicial
1609 proceedings concerning trusts commenced before the effective date of
1610 this section, unless the court finds that application of a particular
1611 provision of sections 1 to 86, inclusive, of this act would substantially
1612 interfere with the effective conduct of the judicial proceedings or
1613 prejudice the rights of the parties, in which case the particular
1614 provision of sections 1 to 86, inclusive, of this act does not apply and
1615 the superseded law applies;

1616 (4) Any rule of construction or presumption provided in sections 1
1617 to 86, inclusive, of this act applies to trust instruments executed before
1618 the effective date of this section unless there is a clear indication of a
1619 contrary intent in the terms of the trust;

1620 (5) An act done before the effective date of this section is not
1621 affected by sections 1 to 86, inclusive, of this act;

1622 (6) The ninety-year period specified in subdivision (1) of section 29
1623 of this act shall only apply to trusts that become irrevocable on or after
1624 the effective date of this section;

1625 (7) The provisions of subdivision (4) of subsection (a) of section 42 of
1626 this act shall only apply to revocable trusts of settlors dying on or after
1627 the effective date of this section; and

1628 (8) The provisions of subdivision (2) of subsection (a) and
 1629 subsections (b) and (c) of section 67 of this act shall only apply to trusts
 1630 that become irrevocable on or after the effective date of this section.

1631 (b) If a right is acquired, extinguished or barred upon the expiration
 1632 of a prescribed period that has commenced to run under any other
 1633 statute before the effective date of this section, such statute continues
 1634 to apply to the right even if it has been repealed or superseded.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2011</i>	New section
Sec. 2	<i>July 1, 2011</i>	New section
Sec. 3	<i>July 1, 2011</i>	New section
Sec. 4	<i>July 1, 2011</i>	New section
Sec. 5	<i>July 1, 2011</i>	New section
Sec. 6	<i>July 1, 2011</i>	New section
Sec. 7	<i>July 1, 2011</i>	New section
Sec. 8	<i>July 1, 2011</i>	New section
Sec. 9	<i>July 1, 2011</i>	New section
Sec. 10	<i>July 1, 2011</i>	New section
Sec. 11	<i>July 1, 2011</i>	New section
Sec. 12	<i>July 1, 2011</i>	New section
Sec. 13	<i>July 1, 2011</i>	New section
Sec. 14	<i>July 1, 2011</i>	New section
Sec. 15	<i>July 1, 2011</i>	New section
Sec. 16	<i>July 1, 2011</i>	New section
Sec. 17	<i>July 1, 2011</i>	New section
Sec. 18	<i>July 1, 2011</i>	New section
Sec. 19	<i>July 1, 2011</i>	New section
Sec. 20	<i>July 1, 2011</i>	New section
Sec. 21	<i>July 1, 2011</i>	New section
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Sec. 25	<i>July 1, 2011</i>	New section
Sec. 26	<i>July 1, 2011</i>	New section
Sec. 27	<i>July 1, 2011</i>	New section

Sec. 28	July 1, 2011	New section
Sec. 29	July 1, 2011	New section
Sec. 30	July 1, 2011	New section
Sec. 31	July 1, 2011	New section
Sec. 32	July 1, 2011	New section
Sec. 33	July 1, 2011	New section
Sec. 34	July 1, 2011	New section
Sec. 35	July 1, 2011	New section
Sec. 36	July 1, 2011	New section
Sec. 37	July 1, 2011	New section
Sec. 38	July 1, 2011	New section
Sec. 39	July 1, 2011	New section
Sec. 40	July 1, 2011	New section
Sec. 41	July 1, 2011	New section
Sec. 42	July 1, 2011	New section
Sec. 43	July 1, 2011	New section
Sec. 44	July 1, 2011	New section
Sec. 45	July 1, 2011	New section
Sec. 46	July 1, 2011	New section
Sec. 47	July 1, 2011	New section
Sec. 48	July 1, 2011	New section
Sec. 49	July 1, 2011	New section
Sec. 50	July 1, 2011	New section
Sec. 51	July 1, 2011	New section
Sec. 52	July 1, 2011	New section
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Sec. 61	July 1, 2011	New section
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Sec. 63	July 1, 2011	New section
Sec. 64	July 1, 2011	New section
Sec. 65	July 1, 2011	New section
Sec. 66	July 1, 2011	New section
Sec. 67	July 1, 2011	New section

Sec. 68	<i>July 1, 2011</i>	New section
Sec. 69	<i>July 1, 2011</i>	New section
Sec. 70	<i>July 1, 2011</i>	New section
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Sec. 80	<i>July 1, 2011</i>	New section
Sec. 81	<i>July 1, 2011</i>	New section
Sec. 82	<i>July 1, 2011</i>	New section
Sec. 83	<i>July 1, 2011</i>	New section
Sec. 84	<i>July 1, 2011</i>	New section
Sec. 85	<i>July 1, 2011</i>	New section
Sec. 86	<i>July 1, 2011</i>	New section

Statement of Purpose:

To adopt the Connecticut Uniform Trust Code.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]